



# Instruction Manual For Completion of Milk Pooling Monthly Handler Reports

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# INSTRUCTIONS FOR COMPLETING MONTHLY MILK POOLING REPORTS

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## INSTRUCTIONS FOR COMPLETION OF PRODUCER SHIPMENT OF MARKET MILK REPORTS

### MPB FORMS 1A, 1B, AND 1C

Milk Pooling Branch (MPB) Forms 1A, 1B, and 1C (Appendix I) are to be completed each month by all pool handlers who receive, acquire or divert market milk from contract producers including a producer-handler's own production. Receipts of manufacturing or restricted-use market milk are not to be reported on this report. Receipts from cooperatives or from other pool or nonpool plants are not to be reported on these forms. (See instructions for completion of the MPB Form 800.)

Completed Reports ***must be postmarked by the 8<sup>th</sup> of the month*** to reach the Milk Pooling Branch no later than the 10<sup>th</sup> of the month following the Report month. FAX and Electronically Transferred Reports are acceptable as long as the reports are ***received by Milk Pooling Branch by the 10<sup>th</sup> of the month***. Late filing of this Report is subject to a \$100 penalty.

Note: You will not be sent MPB Forms 1A, 1B and 1C unless you receive, acquire or purchase milk directly from market milk producers including your own production. If your status changes and you will be purchasing milk directly from market milk producers, please contact the Milk Pooling Branch during the month of this change so these forms can be mailed to you for completion.

Please report the pounds of product, fat, and solids-not-fat in ***whole numbers only*** on MPB Forms 1A, 1B, and 1C. Do not use decimals.

*The total pounds of product, fat and solids-not-fat, respectively, reported on MPB Forms 1A, 1B, and 1C must equal that reported on Line 10 of MPB Form 800.*

### INSTRUCTIONS FOR MPB FORM 1A

Report on MPB Form 1A only market milk which is received or acquired from contract producers, including a producer-handler's own production, and brought into the reporting handler's plant. No milk should be reported on this Form that is *restricted-use market milk (degraded), rejected, or directly diverted* from a contract producer's ranch to another plant.

Report receipts from each producer (including a producer-handler's own production), entering the five-digit pooling certificate number, producer name, and the pounds of product, fat, and solids-not-fat received.

Under the "Number of Milkings Degraded to Restricted-Use Market Milk" column, enter the ***number of milkings*** degraded to restricted-use market milk during the month, not the number of days degraded to restricted-use market milk. For example, if the morning milking only was degraded to restricted-use market milk on a certain day, enter "1"; if the morning and afternoon milkings were degraded to restricted-use market milk, enter "2"; if the two milkings of one day and the morning or afternoon milking of another day were degraded to restricted-use market milk enter "3"; etc. The number of milkings degraded to restricted-use market milk cannot exceed two times the number of days in the report month.

## INSTRUCTIONS FOR MPB FORM 1B

Report on Form MPB 1B the market milk which was diverted by the Reporting Handler to other plants. Do not report on this Form any milk that has been *degraded to restricted-use market milk* or *rejected*.

Report diversions from each market milk producer, including from a producer-handler's own production, identified by the five-digit pooling certificate number and producer name. Report the name and handler number of the plant to which each producer's milk was diverted as well as the pounds of product, fat, and solids-not-fat.

## INSTRUCTIONS FOR MPB FORM 1C

Report on MPB Form 1C only market milk that has been *rejected* under provisions of Division 21, Chapter 3, Section 62715 of the Food and Agricultural Code.

Report rejected market milk on this Form as either diverted to another plant or brought into your own plant. If the rejected market milk is diverted, enter in the top section of the Form the producer's five-digit certificate number, the name of the producer, the name and handler number of the plant to which the rejected milk was diverted, and the pounds of product, fat, and solids-not-fat diverted. If rejected market milk is brought into your own plant, enter in the bottom section the producer's five-digit certificate number, name of producer, and the pounds of product, fat, and solids-not-fat received into your own plant.

Under the "Number of Milkings Rejected" column, enter the number of milkings that were rejected during the report month. This number cannot exceed two times the number of days in that month.

If *rejected market milk* was neither received into your plant nor diverted to another plant, but left with the producer to dispose of elsewhere, make no entry whatsoever on the report.

### AGREEMENT OF DIVERSIONS, MPB FORMS 1B AND 1C VS. MPB 800

The total of diversions reported on MPB Forms 1B and 1C should equal the total of all diversions reported on Lines 44, 46, 51, 64, 66, 73, 75, 83, 85, 97, and 99 of the MPB Form 800 except for variances between *stick readings* and *scale weights*, *test variances*, or *in-transit shipments*.

### DIVERSIONS OF MARKET MILK OUT-OF-STATE

When a proprietary handler diverts a contract producer's market milk *directly* out-of-state, the producer's milk is *pool milk* and must be reported by the handler on MPB Form 1B and MPB Form 800. However, if the *producer* sells market milk out-of-state on his or her own and is paid directly by the out-of-state plant, the market milk is *not pool milk* and is not to be reported to the pool.

## **INSTRUCTIONS FOR COMPLETION OF COOPERATIVE SHIPMENT OF MARKET REPORTS MPB FORMS 2A AND 2B**

MPB Forms 2A and 2B (Appendix II) are to be completed each month by all cooperative handlers. Receipts from other cooperatives, other pool handlers, or nonpool plants are not to be reported on these forms. (See instructions for completion of the MPB Form 800.)

Completed Reports are to be *postmarked by the 8<sup>th</sup> of the month* to reach the Milk Pooling Branch no later than the 10<sup>th</sup> of the month following the Report month. FAX and Electronically Transferred Reports are acceptable as long as the Reports are *received by the Milk Pooling Branch by the 10<sup>th</sup> of the month*. Late filing of this Report is subject to a \$100 penalty.

Please report the market milk pounds of product, fat, and solids-not-fat in *whole numbers only* on MPB Forms 2A and 2B. Do not use decimals.

### **INSTRUCTIONS FOR MPB FORM 2A**

Report on MPB Form 2A only market milk which is received from producer-members and brought into the reporting cooperative handler's plant. No market milk should be reported on this form that is *degraded to restricted-use market milk* or *directly diverted* to another plant.

Report receipts from each producer-member, enter the five-digit pooling certificate number, producer name, and the market milk pounds of product, fat, and solids-not-fat received. *Cooperative handlers receiving market milk directly from non-member producers must report such milk on MPB Form 1A.*

### **INSTRUCTIONS FOR MPB FORM 2B**

Report on MPB Form 2B the market milk from producer-members that was diverted to other plants. Do not report on this Form any milk that has been *degraded to restricted-use market milk*.

Report diversions from each producer-member identified by the five-digit pooling certificate number and producer name. Report the name and handler number of the plant to which each producer-member's market milk was diverted, as well as the market milk pounds of product, fat, and solids-not-fat. *Cooperative handlers diverting market milk from non-member producers must report such milk on MPB Form 1B.*

### **AGREEMENT OF DIVERSIONS - MPB FORM 2B VS. MPB FORM 800**

The total of diversions reported on MPB Form 2B should equal the total of all diversions reported on Lines 44, 46, 51, 64, 66, 73, 75, 83, 85, 97, and 99 of the MPB Form 800. However, if variances between *stick readings, test variances, or transit shipments* occur, our computer system will automatically prorate each member's shipment so that the total of the diversions reported on the MPB Form 2B will equal the diversions reported on the MPB Form 800. Transportation allowances are calculated on the prorated shipments.

## DIVERSIONS OF MARKET MILK OUT-OF-STATE

When a cooperative handler diverts a producer-member's milk *directly out-of-state*, the milk is considered to be diverted directly by a producer and therefore is not pool milk. This milk is ***not*** to be reported to the pool by the cooperative on MPB Form 2B or MPB Form 800.

## INSTRUCTIONS FOR COMPLETION OF PRODUCER SHIPMENT OF MANUFACTURING MILK REPORTS MPB FORMS 3A AND 3B

Milk Pooling Branch (MPB) Forms 3A and 3B (Appendix III) are to be completed each month by all pool handlers, *including cooperative associations*, who receive, acquire or divert manufacturing milk from contract or member producers including a producer-handler's own production. Receipts of market milk or restricted-use market milk are not to be reported on this report. Receipts from cooperatives or from other pool or nonpool plants are not to be reported on these forms. (See instruction for completion of the MPB Form 800.)

Completed Reports are to ***be postmarked by the 8<sup>th</sup> of the*** month to reach the Milk Pooling Branch no later than the 10<sup>th</sup> of the month following the Report month. FAX and Electronically Transferred Reports are acceptable as long as the Reports are ***received by the 10<sup>th</sup> of the month***. Late filing of this Report is subject to a \$100 penalty.

Note: You will not be sent Forms 3A and 3B unless you receive, acquire or purchase milk directly from manufacturing milk producers or acquire milk from your own production. If your status changes and you will be purchasing, receiving or acquiring milk directly from manufacturing milk producers including your own production, please contact the Milk Pooling Branch during the month of this change so these Forms can be mailed to you for completion.

Please report the pounds of product, fat, solids-not-fat in *whole numbers only*. **Do** not use decimals. Also report the dollars paid to producers from whom you purchase manufacturing milk in *whole dollars only* on Forms 3A and 3B.

## INSTRUCTIONS FOR MPB FORM 3A

Report on MPB Form 3A only manufacturing milk which is received from contract or cooperative-member producers, including the reporting handler's own production, and brought into the reporting handler's plant. No milk should be reported on this Form that is *market milk*, *restricted-use market milk (degraded)*, or *directly diverted* to another plant.

Report receipts from each producer including your own production, entering the five-digit pooling certificate number, producer name, and the pounds of product, fat, solids-not-fat and dollars paid producers.

## INSTRUCTIONS FOR MPB FORM 3B

Report on MPB Form 3B the manufacturing milk which was diverted by the reporting handler to other plants. Do not report on this from any *market milk* or milk that has been *degraded to restricted-use market milk*.

Report diversions from each manufacturing milk producer identified including your own production by the five-digit pooling certificate number and producer name. Report the name and handler number of the plant to which each producer's milk was diverted as well as the pounds of product and fat and dollars paid producer.

### DIVERSIONS OF MANUFACTURING MILK OUT-OF-STATE

When a proprietary handler or a cooperative association diverts a contract producer's or member's manufacturing milk *directly* out-of-state, the producer's milk is *not pool milk* and is not to be reported by the handler or cooperative on MPB Form 3B or the MPB Form 800. If the *producer* sells manufacturing milk out-of-state on his or her own and is paid directly by the out-of-state plant, the manufacturing milk is also *not pool milk* and is not to be reported to the pool.

## INSTRUCTIONS FOR COMPLETION OF PRODUCER SHIPMENT OF RESTRICTED-USE MARKET MILK REPORTS MPB FORMS 4A AND 4B

Milk Pooling Branch (MPB) Forms 4A and 4B (Appendix IV) are to be completed each month by all pool handlers, *including cooperative associations*, who receive, acquire or divert restricted-use market milk from contract or member producers including a producer-handler's own production. Receipts of market milk or manufacturing milk are not to be reported on these Forms. Receipts from cooperatives or from other pool or nonpool plants are not to be reported on these Forms. (See instructions for completion of the MPB Form 800.)

Completed Reports are to be ***postmarked by the 8<sup>th</sup> of the month*** to reach the Milk Pooling Branch no later than the 10<sup>th</sup> of the month following the Report month. FAX and Electronically Transferred Reports are acceptable as long as the Reports are ***received by the Milk Pooling Branch by 10<sup>th</sup> of the month***. Late filing of this report is subject to a \$100 penalty.

Note: You will not be sent MPB Forms 4A and 4B unless you receive, purchase or acquire milk directly from producers having restricted-use market milk including your own production. If your status changes and you will be receiving, acquiring or purchasing milk directly from restricted-use market milk producers including your own production, please contact the Milk Pooling Branch during the month of this change so these Forms can be mailed to you for completion.

Please report the pounds of product, fat and solids-not-fat in ***whole numbers only*** (no decimals). Also report dollars paid producers in ***whole dollars only*** on MPB Forms 4A and 4B.

The total pounds of product, fat and solids-not-fat, respectively, reported on MPB Forms 4A and 4B must equal that reported on Line 12 of MPB Form 800.



## INSTRUCTIONS FOR MPB FORM 4A

Report on MPB Form 4A only restricted-use market milk which is received, acquired or purchased from contract or cooperative-member producers, including the reporting handler's own production, and brought into the reporting handler's plant. No milk should be reported on this Form that is *market milk*, *manufacturing milk*, or *directly diverted* to another plant.

Report receipts from each producer, entering the five-digit market milk pooling certificate number, producer name, and the pounds of product, fat, and solids-not-fat received.

## INSTRUCTIONS FOR MPB FORM 4B

Report on Form MPB 4B the restricted-use market milk which was diverted by the reporting handler to other plants. Do not report on this Form any *market milk* or *manufacturing milk*.

Report diversions from each restricted-use market milk producer identified by the five-digit market milk pooling certificate number and producer name. Report the name and handler number of the plant to which each producer's milk was diverted as well as the pounds of product, fat and solids-not-fat.

### DIVERSIONS OF RESTRICTED-USE MARKET MILK OUT-OF-STATE

When a proprietary handler or a cooperative association diverts a contract producer's or member's restricted-use market milk *directly* out-of-state, the producer's milk is *not pool milk* and is not to be reported by the handler or cooperative on MPB Form 4B or the MPB Form 800. If the producer sells restricted-use market milk out-of-state on his or her own and is paid directly by the out-of-state plant, the restricted-use market milk is also *not pool milk* and is not to be reported to the pool.

## INSTRUCTIONS FOR COMPLETION OF MPB FORM 800 – REPORT OF HANDLER RECEIPTS AND UTILIZATION

MPB Form 800 (Appendix V) is to be completed each month by all pool handlers. All entries shall be by pounds of product, fat, and solids-not-fat, as indicated.

This Form shall be ***postmarked by the 12<sup>th</sup> of the month*** to reach the Milk Pooling Branch no later than the 14<sup>th</sup> of each month. FAX reports are acceptable if ***received by the Milk Pooling Branch by the 14<sup>th</sup> of the month***. Late filing of this report is subject to a \$100 penalty.

The Form shall report the actual physical movement of milk from the producer's ranch to the *plant first receiving the milk* and shall report inter-handler transfers or diversions as moving from the *source handler* to the *receiving handler*. Intermediaries or brokers who buy from one handler for the purpose of resale to another (or who arrange for such movement) shall not be reported as the *source handler* by the buyer nor as the *receiving handler* by the seller.

The seller shall show the transfer to the handler actually receiving the milk into its plant, and the buyer shall report the receipt from the handler actually supplying the milk. Both the shipper and receiver shall **not** report their respective transactions as "via (name of intermediary or broker)." *Please report in whole numbers only.* Do not use decimals.

The following paragraphs describe the entries to be made in each section of the Report. If additional clarification is needed, contact the Milk Pooling Audit Manager responsible for the audit of your plant at 916-341-5901.

#### **LINE 10 – RECEIPTS FROM MARKET MILK PRODUCERS**

Enter on Line 10 the total receipts from market milk producers, including a producer-handler's own production. Receipts on this Line include diversions made by the reporting handler from a producer's ranch to another plant. A cooperative association, with or without a plant, shall enter on this line the milk produced by its members and non-members that is received in the cooperative's own plant or diverted to pool and nonpool outlets.

Do not include milk received by *diversion* from producers under contract with another handler, and do not include *manufacturing milk* or milk that has been officially *degraded to restricted-use market milk*.

Note: **For a Proprietary Handler** – The amounts shown on Line 10 *must be equal* to the total pounds of product, fat and solids-not-fat reported on the Producer Shipment Reports, MPB Forms 1A, 1B, and 1C.

**For a Cooperative Association** – The amounts shown on Line 10 *should be equal* to the total pounds of product, fat, and solids-not-fat reported on the Producer-Member Shipment Reports, MPB Forms 2A and 2B. However, if these amounts are *not in agreement* our computer system will prorate each producer-member's shipment so that the total of the shipments reported on the MPB Forms 2A and 2B will equal Line 10.

#### **LINE 12 – RECEIPTS FROM RESTRICTED-USE MARKET MILK PRODUCERS**

Enter on Line 12 the total receipts of restricted-use market milk from producers, including a producer-handler's own production. Receipts on Line 12 include diversions made by the reporting handler from a producer's ranch to another plant. A cooperative association, with or without a plant, shall enter on Line 12 the milk produced by its members and non-members which is received in the cooperative's own plant or diverted to pool and nonpool outlets.

Do not include milk received by *diversion* from another handler's producers, and do not include *market milk* or *manufacturing milk*.

#### **RECEIPTS FROM OTHER HANDLERS**

Report on the Lines indicated the receipts of bulk market milk, cream, and skim from other handlers, cooperative associations and nonpool sources including restricted-use market milk.

Enter the name and city location of each source, the amount received during the month, and the "Entry Code" (designating the source type) for each supplier on MPB Form 800A (attached to the MPB Form 800). The various types of entry codes are listed on the MPB Form 800A.

Total the quantities received under each "Entry Code" type and enter these totals on the appropriate summary lines on MPB Form 800.

Note: When purchasing a bulk product that contains condensed skim from another handler, ***do not*** report the condensed skim pounds in the product. Bulk condensed skim is also ***not*** to be reported as a receipt in this section. Condensed skim is considered a ***finished product*** at the plant of manufacture.

**LINE 31 – BULK FROM POOL HANDLERS**

Enter on Line 31 the total bulk receipts of market milk, cream and skim from other pool handlers, including cooperative associations. The amount on Line 31 shall be the total of all items coded as “B-1” on your MPB Form 800A.

**LINE 32 – BULK FROM NONPOOL GOVERNMENTAL AGENCIES**

Enter on Line 32 the total bulk receipts of market milk, cream and skim from exempt governmental agencies such as state prisons. The amount on Line 32 shall be the total of all items coded as “B-2” on your MPB Form 800A.

**LINE 33 – BULK MILK FROM NONPOOL SOURCES**

Enter on Line 33 the total bulk receipts of market milk, cream, and skim from California nonpool sources. Included on Line 33 is milk from *out-of-state sources where California-produced milk was received during the month*. The amount on Line 33 shall be the total of all items coded as “B-3” on your MPB Form 800A.

Examples of such sources are exempt producer-handlers, nonpool plants or handlers in nonpool areas within California and out-of-state plants where California-produced milk was received.

**LINE 35 – RECEIPTS OF PACKAGED CLASS 1 PRODUCT**

Enter on Line 35 the total packaged Class 1 product purchased from *California* pool plants during the month. There is no detail entry made on MPB Form 800A for Line 35.

**LINE 38 – BULK RESTRICTED-USE MARKET MILK FROM OTHER HANDLERS**

Enter on Line 38 the total bulk restricted-use market milk from other pool or nonpool handlers, including cooperative associations. The amount on Line 38 shall be the total of all items coded as “B-4” on your MPB Form 800A.

**RECEIPTS FROM OTHER SOURCES****LINE 34 – BULK RECEIPTS FROM OUT-OF-STATE SOURCES**

Enter on Line 34 the total bulk receipts of market milk, cream and skim from out-of-state sources. *Do not include milk from out-of-state on Line 34 that came from a plant where California-produced milk was received during the month*. The amount on Line 34 shall be the total of all items coded as “C-1” on your MPB Form 800A.

**LINE 37 – PACKAGED CLASS 1 ITEMS FROM OUT-OF-STATE SOURCES**

Enter on Line 37 the total packaged Class 1 items received from out-of-state sources. The amount on Line 37 shall be the total of all items coded as “C-2” on your MPB Form 800A.

## NET BULK MANUFACTURING MILK USED

In this Section you will calculate the net amount of manufacturing milk (not restricted-use market milk) used in the production of items as reported under the Class 2, Class 3, Class 4a and Class 4b Sections of the Report. This is calculated by addition and subtraction of the following items:

- *TOTAL BULK MANUFACTURING MILK RECEIVED FROM PRODUCERS* – Enter the total amount of all manufacturing milk received or acquired during the month *into your plant* from producers including a producer-handler's own production. Do *not* include on Line 36 manufacturing milk you have *diverted* to another plant. Also, do *not* include receipts of restricted-use market milk.
- *TOTAL BULK MANUFACTURING MILK RECEIVED FROM HANDLERS* – Enter the total amount of all manufacturing milk received during the month *into your plant* from handlers. Do *not* include receipts of restricted-use market milk. The amount on Line 36 shall be the total of all items coded as "C-3" on your MPB Form 800A.
- *LESS BULK MANUFACTURING MILK SHIPPED TO POOL PLANTS* – Enter as a negative figure the amount of bulk manufacturing milk shipped to other pool handlers *from your plant*. Do *not* include on Line 36 manufacturing milk or restricted-use market milk *diverted* to another plant.

### LINE 36 – NET BULK MANUFACTURING MILK USED

Enter on Line 36 the net result of the three plus-and-minus calculations referenced above.

## INVENTORIES

### LINE 01 – PACKAGED CLASS 1 ITEMS BEGINNING OF THE MONTH

Enter the total amount of all packaged Class 1 items on hand at the beginning of the month. This entry must equal the closing inventory on Line 49 of the previous month's Report.

### LINE 02 - BULK MILK ON HAND BEGINNING OF THE MONTH

Enter the total amount of bulk market, manufacturing and restricted-use market milk, cream, and skim on hand at the beginning of the month. This entry must equal the closing bulk inventory shown on Line 61 of the previous month's Report.

## PRODUCTS USED TO FORTIFY CLASS 1 PRODUCTS

### LINE 91 – CONDENSED SKIM

Enter under "Product Pounds" the weight of condensed skim used in the fortification of Class 1 products. Enter under "SNF Pounds" the solids-not-fat content of the condensed skim.

### LINE 92 – DRY SOLIDS

Enter under "Product Pounds" the pounds of nonfat dry solids used in the fortification of Class 1 products. Enter under "SNF Pounds" the solids-not-fat content of the nonfat dry solids. The solids-not-fat content of nonfat dry solids is generally 97 percent of the total product pounds.

## **UNCLASSIFIED BULK ITEMS**

### **LINE 50 – TRANSFERS TO POOL PLANTS**

Enter on Line 50 the total bulk market milk, cream and skim shipped to other pool handlers from your plant. The amount on Line 50 shall be the total of all items coded as “H-1” on your MPB Form 800B.

### **LINE 51 – DIVERSIONS TO POOL PLANTS**

Enter on Line 51 the total bulk market milk diverted from your contract producers to other pool handlers. The amount on Line 51 shall be total of all items coded “H-2” on your MPB Form 800B.

### **LINE 52 – RESTRICTED USE MARKET MILK DIVERTED OR TRANSFERRED TO HANDLERS**

Enter on Line 52 the total bulk restricted-use market milk diverted or transferred to other handlers. The amount on Line 52 shall be the total of all items coded as “H-4” on your MPB Form 800B.

### **LINE 61 – BULK MILK ON HAND AT END OF MONTH**

Enter on Line 61 the total amount of market, manufacturing and restricted use market milk, cream and skim on hand at the end of report month.

## **CLASS 1 UTILIZATION OR DISPOSITION**

This Section is intended to accommodate reporting of all packaged and bulk Class 1 disposition by the reporting plant other than that resulting from transfer or diversion of bulk milk, cream, and skim to other pool plants. See Appendix VII, for products designated as Class 1.

### **LINE 41 – PACKAGED CLASS 1 DISPOSITION**

Enter on line 41 the total amount of packaged Class 1 products disposed of to wholesale outlets, retail outlets and other plants *less the weight of nondairy additives*.

### **LINE 43 – BULK TRANSFERS TO EXEMPT PRODUCER-HANDLERS**

Enter on Line 43 the total bulk market milk, cream and skim transferred from your plant to exempt producer-handlers. The amount on Line 43 shall be the total of all items coded as “G-3” on the MPB Form 800B.

### **LINE 44 – DIVERSIONS TO EXEMPT PRODUCER-HANDLERS**

Enter on Line 44 the total bulk market milk diverted from your contract producers to exempt producer-handlers. The amount on Line 44 shall be the total of all items coded as “G-4” on the MPB Form 800B.

**LINE 45 – BULK TRANSFERS TO NONPOOL OUTLETS**

Enter on Line 45 the total bulk market milk, cream, and skim transferred as Class 1 to nonpool outlets. The amount on Line 45 shall be the total of all items coded as “G-5” on the MPB Form 800B.

**LINE 46 – DIVERSIONS TO NONPOOL OUTLETS**

Enter on Line 46 the total bulk market milk diverted as Class 1 to nonpool outlets. The amount on Line 46 shall be the total of all items coded as “G-6” on MPB Form 800B.

**LINE 49 – PACKAGED CLASS 1 ITEMS AT END OF MONTH**

Enter on Line 49 the total amount of packaged Class 1 products, *less the weight of nondairy additives*, on hand at month’s end. This entry must equal the beginning inventory on Line 01 on next month’s Report.

**CLASS 2 UTILIZATION OR DISPOSITION**

This Section accommodates the reporting of all Class 2 utilization or disposition other than that resulting from transfers and diversions to *pool plants*.

Enter on the applicable line the original weight of bulk milk, cream, and skim used in the manufacture of Class 2 products. See Appendix VII for products designated as Class 2.

Note: *Any custom processing of Class 2 products, Lines 65 and 66, must have prior approval by the Secretary confirmed in writing. See Policy and Procedural Letter No. 5.5.*

**LINE 62 – BULK MILK, CREAM, OR SKIM USED TO MAKE CLASS 2 ITEMS IN PLANT**

Enter on Line 62 the bulk milk, cream and skim used in the manufacture of Class 2 products in your plant.

**LINE 63 – BULK TRANSFERS TO NONPOOL OUTLETS**

Enter on Line 63 the market and manufacturing milk bulk milk, cream and skim transferred to nonpool outlets and used in Class 2 products. The amount on Line 63 shall be the total of all items coded as “I-3” on MPB Form 800B.

**LINE 64 – MARKET MILK DIVERTED TO NONPOOL OUTLETS**

Enter on Line 64 the bulk market milk diverted to nonpool outlets and used in Class 2 products. The amount on Line 64 shall be the total of all items coded as “I-4” on MPB Form 800B.

**LINE 65 – BULK TRANSFERS FOR CUSTOM PROCESSING**

Enter on Line 65 the market grade and manufacturing milk bulk milk, cream, and skim transferred to another plant and custom processed for you into Class 2 products. The amount on Line 65 shall be the total of all items coded as “I-5” on MPB Form 800B.

**LINE 66 – MARKET MILK DIVERTED FOR CUSTOM PROCESSING**

Enter on Line 66 the bulk market milk diverted another plant and custom processed for you into Class 2 products. The amount on Line 66 shall be the total of all items coded as “I-6” on MPB Form 800B.

**CLASS 3 UTILIZATION OR DISPOSITION**

This Section accommodates reporting of all Class 3 utilization or disposition other than that resulting from transfers and diversions to pool plants.

Enter on the applicable lines the original weight of bulk milk, cream, and skim used in the manufacture of Class 3 products. See Appendix VII for products designated as Class 3.

Note: *Any custom processing of Class 3 products, Lines 74 and 75, must have prior approval by the Secretary confirmed in writing. See Policy and Procedural Letter No. 5.5.*

**LINE 71 – BULK MILK, CREAM, OR SKIM USED TO MAKE CLASS 3 ITEMS IN PLANT**

Enter on Line 71 the bulk milk, cream, and skim used in the manufacture of Class 3 products in your plant.

**LINE 72 – BULK TRANSFERS TO NONPOOL OUTLETS**

Enter on Line 72 the market grade and manufacturing milk bulk milk, cream, and skim transferred to nonpool outlets and used in Class 3 products. The amount on Line 72 shall be the total of all items coded as “J-2” on MPB Form 800B.

**LINE 73 – MARKET MILK DIVERTED TO NONPOOL OUTLETS**

Enter on Line 73 the bulk market milk diverted to nonpool outlets and used in Class 3 products. The amount on Line 73 shall be the total of all items coded as “J-3” on MPB Form 800B.

**LINE 74 – BULK TRANSFERS FOR CUSTOM PROCESSING**

Enter on this line the market grade and manufacturing milk bulk milk, cream, skim transferred to another plant and custom processed for you into Class 3 products. The amount on Line 74 shall be the total of all items coded as “J-4” on MPB Form 800B.

**LINE 75 – MARKET MILK DIVERTED FOR CUSTOM PROCESSING**

Enter on Line 75 the bulk market milk diverted to another plant and custom processed for you into Class 3 products. The amount on Line 75 shall be the total of all items coded as “J-5” on MPB Form 800B.

**CLASS 4A UTILIZATION OR DISPOSITION**

This Section accommodates all Class 4a utilization and disposition other than that resulting from transfers and diversions to pool plants. Enter on the applicable lines the original weight of bulk milk, cream, and skim used in the manufacture of Class 4a products. See Appendix VII for products designated as Class 4a.

*Note: See Policy and Procedural Letter No. 5.5 for the rules on custom processing of Class 4a products, Lines 84 and 85.*

**LINE 81 – BULK MILK, CREAM, OR SKIM USED TO MAKE CLASS 4A ITEMS IN PLANT**

Enter on Line 81 the bulk milk, cream, and skim used in the manufacture of Class 4a products in your plant, including shipments to nondairy outlets.

**LINE 82 – BULK TRANSFERS TO NONPOOL OUTLETS**

Enter on Line 82 the market grade and manufacturing milk bulk milk, cream, and skim transferred to nonpool outlets and used in Class 4a products. The amount on Line 82 shall be the total of all items coded as “K-2” on MPB Form 800B.

**LINE 83 – MARKET MILK DIVERTED TO NONPOOL OUTLETS**

Enter on Line 83 the bulk market milk diverted to nonpool outlets and used in Class 4a products. The amount on Line 83 shall be the total of all items coded as “K-3” on MPB Form 800B.

**LINE 84 – BULK TRANSFERS FOR CUSTOM PROCESSING**

Enter on Line 84 the market grade and manufacturing milk bulk milk, cream, and skim transferred to another plant and custom processed for you into Class 4a products. The amount on Line 84 shall be the total of all items coded as “K-4” on MPB Form 800B.

**LINE 85 – MARKET MILK DIVERTED FOR CUSTOM PROCESSING**

Enter on Line 85 the bulk market milk diverted to another plant and custom processed for you into Class 4a products. The amount on Line 85 shall be the total of all items coded as K-5 on MPB Form 800B.

**CLASS 4B UTILIZATION OR DISPOSITION**

This Section accommodates all Class 4b utilization and disposition other than that resulting from transfers and diversions to pool plants. Enter on the applicable lines the original weight of bulk milk, cream, and skim used in the manufacture of Class 4b products. See Appendix VII for products designated as Class 4b.

*Note: Any custom processing of Class 4b products, Lines 98 and 99, must have prior approval by the Secretary confirmed in writing. See Policy and Procedural Letter No. 5.5.*

**LINE 95 – BULK MILK, CREAM, OR SKIM USED TO MAKE CLASS 4B ITEMS IN PLANT**

Enter on Line 95 the bulk milk, cream, and skim used in the manufacture of Class 4b products in your plant.

**LINE 96 – BULK TRANSFERS TO NONPOOL OUTLETS**

Enter on Line 96 the market grade and manufacturing milk bulk milk, cream, and skim transferred to nonpool outlets and used in Class 4b products. The amount on Line 96 shall be the total of all items coded as “L-2” on MPB Form 800B.



**LINE 97 – MARKET MILK DIVERTED TO NONPOOL OUTLETS**

Enter on Line 97 the bulk market milk diverted to nonpool outlets and used in Class 4b products. The amount on Line 97 shall be the total of all items coded as “1-3” on MPB Form 800B.

**LINE 98 – BULK TRANSFERS FOR CUSTOM PROCESSING**

Enter on Line 98 the market grade milk and manufacturing milk bulk milk, cream, and skim transferred to another plant and custom processed for you into Class 4b products. The amount on Line 98 shall be the total of all items coded as “L-4” on MPB Form 800B.

**LINE 99 – MARKET MILK DIVERTED FOR CUSTOM PROCESSING**

Enter on Line 99 the bulk market milk diverted to another plant and custom processed for you into Class 4b products. The amount on Line 99 shall be the total of all items coded as “L-5” on MPB Form 800B.

**RECAP SECTION**

*[Calculation of Plant Loss or (Gain)]*

1. Enter on this Line the total of all product and fat pounds from the total of Lines 10 through 92, Page 1 of MPB Form 800. *Note: Add the “SNF Pounds” from Line 92 instead of “Product Pounds”.*
2. Enter on this Line the resulting calculation by multiplying 64 percent times “SNF Pounds” on Line 92 and enter the result under “Product Pounds”.
3. *Total to Account For* – Enter on this Line the total of Lines 1 and 2 above.
4. *Total Accounted For* - Enter on this Line all of the product and fat pounds from the total of all utilization and disposition, Line 50, Page 1, through Line 99, Page 2 of MPB Form 800.
5. Subtract the product and fat pounds entered under “*Total Accounted For*”, Line 4, from that under “*Total to Account For*”, Line 3. If difference is a positive figure, enter as net loss; if a negative, enter as a net (gain).

## SUPPLEMENTAL INFORMATION

### **I. COMPLETE IF PLANT USES CONDENSED SKIM FOR FORTIFICATION OF PRODUCT IN ANY CLASSIFICATION.** (For Market Area Adjustment)

#### **Section 1 - Entry Code D-1**

Enter in the lines for Entry Code D-1 the *total* bulk receipts (including your own production) of condensed skim. A separate “D-1” entry is necessary for each plant source. *This amount is the total received from each source for use in any classification of milk or dairy product.*

#### **LINE 27 - TOTAL CONDENSED SKIM RECEIPTS**

Enter on Line 27 the total pounds of product and solids-not-fat of all “D-1” entries.

#### **Section II - Entry Code E-1**

Enter in the lines for Entry Code E-1 the total bulk receipts of concentrated product by use of membrane technology (i.e., reverse osmosis and/or ultra-filtration) from each source (including product concentrated at your own plant).

#### **LINE 28 – TOTAL CONCENTRATED PRODUCT PRODUCED BY MEMBRANE TECHNOLOGY**

Enter on Line 28 the total pounds of product, fat pounds and solids-not-fat pounds of all E-1 entries.

### **II. ALL HANDLERS COMPLETE IF APPLICABLE (FOR ASSESSMENT CALCULATIONS)**

#### **DATA FOR ASSESSMENT CALCULATIONS**

#### **LINE 22 – COOP-MEMBER, CALIFORNIA-PRODUCED MILK SHIPPED DIRECTLY OUT-OF-STATE**

For *cooperative associations* only, enter on Line 22 the total producer milk shipped directly from the ranch to an out-of-state plant. **Do not** include on Line 22 milk, cream or skim shipped from the plant to an out-of-state plant.

#### **LINE 23 – CLASS 1 PRODUCTS NOT SUBJECT TO FLUID MILK ASSESSMENT**

Enter on Line 23 the total Class 1 products sold directly out-of-state, kefir and all half-and-half sold as Class 1. **Do not** include on Line 23 products received from other handlers as reported on Line 35.

#### **LINE 24 – RECEIPTS FROM MANUFACTURING AND RESTRICTED-USE MARKET MILK PRODUCERS**

Enter on Line 24 the total manufacturing milk and restricted use market milk purchased directly from producers, including manufacturing milk and restricted-use market milk purchased and diverted to other pool and nonpool plants. Cooperative associations without a plant who divert manufacturing milk or restricted-use market milk from their producer-members to another plant shall also report such diversions on this line.

**LINE 25 – BULK MANUFACTURING MILK AND RESTRICTED-USE MARKET MILK RECEIPTS FROM COOPERATIVES**

Enter on Line 25 the total manufacturing milk and restricted-use market milk receipts from cooperative associations.

**LINE 26 – BULK MANUFACTURING MILK AND RESTRICTED USE MARKET MILK DIVERTED OR TRANSFERRED BY COOPERATIVES TO OTHER HANDLERS**

Enter on Line 26 the total manufacturing milk and restricted use market milk diverted or transferred by cooperative associations to other handlers, both pool and nonpool. *Only cooperative associations will report on Line 26.*

**III. COMPLETE ONLY IF PLANT REPORTS RECEIPTS FROM NONPOOL SOURCES AND/OR MANUFACTURING MILK USAGE, LINES 33 AND 36**

Lines 67, 76, and 86 are to be completed only by those plants that receive bulk milk, cream and skim from nonpool and /or manufacturing milk sources as reported respectively on Lines 33 and 36, Page 1 of MPB Form 800. Information on these lines is used to allocate these receipts between Classes 2, 3, and 4a.

**LINE 67 – BULK MILK, CREAM AND SKIM USED IN MFG GRADE CLASS 2 PRODUCTS**

Of the total Class 2 usage, as reported on Lines 62 through 66, enter on this line that portion of the bulk milk, cream, and skim used in the manufacture of Class 2 products that *are not required* to be made from market milk. See Appendix VII for products in Class 2 *not requiring* market milk.

**LINE 76 – BULK MARKET MILK USED IN CLASS 3 PRODUCTS**

Of the total Class 3 usage reported on Lines 71 through 75, enter on this line that portion of the bulk milk, cream, and skim used in the manufacture of any Class 3 products which are required, *by contract*, to be made from market milk, cream, or skim. ***Do not*** include on this line any manufacturing milk or commingled market and manufacturing milk to make products that do not require the use of market milk.

**LINE 86 – BULK MARKET MILK USED IN CLASS 4A PRODUCTS**

Of the total Class 4a usage reported on Lines 81 through 85, enter on this line that portion of the bulk milk, cream, and skim used in the manufacture of any Class 4a product which are required to be made from *market* milk, cream, or skim (e.g., extra grade powder labeled as Grade A). ***Do not*** include on this line any manufacturing milk or commingled market and manufacturing milk to make products that do not require the use of market milk.

**IV.     *COMPLETE ONLY IF PRODUCER-HANDLER ELECTED OPTION UNDER ARTICLE 6.5  
OF THE POOLING PLAN***

**LINE 42 – CLASS 1 PACKAGED SALES TO POOL PLANTS**

Only producer-handlers exercising the special option under Article 6.5 of the Milk Pooling Plan shall make an entry on Line 42. Such producer-handlers shall enter on Line 42 the amount of Class 1 items ***included on Line 41*** which were disposed of to other handlers, not including sub-distributors.